

**MINUTES OF THE BOARD OF DIRECTORS
HOLLYWOOD PROPERTY OWNERS ALLIANCE
October 16, 2008**

Directors Present	Chris Bonbright, President	Whitley Court Partners
	Frank Stephan, Treasurer	The Clarett Group
	Aziz Banayan	Algert Co., Inc.
	Lynda Bybee	Metro
	Michael Gargano	Argent Ventures and Millennium Partners
	Alan Sieroty	Sieroty Company
	Thaddeus Smith	The Music Box Theater
	Tej Sundher	Hollywood Wax Museum
	John Tronson	Tronson Investment Group
	Leron Gubler	Hollywood Chamber of Commerce- (Ex-officio Member)
Directors Absent	Jose Malagon, Vice President	Hollywood Media Center
	Nathan Korman, Secretary	NBK, LLC
	Ron Radachy	Oasis of Hollywood
	Hilary Royce	Church of Scientology International
	Monica Yamada	CIM Group, Inc.
	David Green	Nederlander Organization - (Ex-officio Member)
	Leslie Lambert	CRA/LA - (Ex-officio Member)
Staff	Kerry Morrison	HPOA
	Sarah MacPherson	HPOA
	Joe Mariani Jr.	HPOA
	Katie Zandona	HPOA
Guests	Tom Trynin	Argent Ventures and Millennium Partners
	Greg Angelo	METRO
	Jeff Cohen	Gatehouse Capital
	Jan Martin	AMDA

I. Call to Order

The meeting was called to order by Board President Chris Bonbright at 4:14 P.M.

II. Public Comment

Michael Gargano and Tom Trynin presented to the board the first rendering of their Argent

Ventures and Millennium Partners development project at the Capitol Records' site. Gargano reported that they had recently filed their entitlement application with the City and will be hoping to break ground on the site in 2010.

III. Approval of Minutes

It was moved by John Tronson, seconded by Aziz Banayan and **CARRIED to approve the HPOA Board minutes from October 16, 2008.** [Unanimously approved].

IV. Treasurer's Report

A. Treasurer's Report: Frank Stephan asked Kerry Morrison to walk through the highlights of the Financial Statement for the period ending September 30, 2008. Morrison pointed out that year-end cash on hand was expected to be rather slim (approximately \$17,312). To increase the year-end cushion, she was recommending that money currently budgeted for the following items be suspended, at least until December, when the year-end situation will be more clear: (1) \$12,500 budgeted for Marketing Consulting; (2) \$20,000 budgeted for PATH HERO program; (3) \$4,000 budgeted for office equipment and furniture.

It was moved by John Tronson, seconded by Tej Sundher and **CARRIED to approve the Treasurer's Report from September 30, 2008.** [Unanimously approved].

B. 401(k): Morrison reported on research to-date to aid the board's decision in determining whether to create a 401(k) benefit for staff. She distributed a memo, dated October 16, sent to the Finance Committee, which outlined several decisions to be made. Essentially, at this point, it is too late to create a Safe Harbor 401(k), so the option would be for the board to commit to offer this benefit, determine a vesting schedule and pick a fund. A decision about whether there would be an employer-match offered for 2008 could be made at either the November or December board meeting. Morrison walked the board through the decisions outlined in the memo.

It was moved by John Tronson, seconded by Tej Sundher and **CARRIED to proceed with the following with respect to establishing a 401(k) benefit for the staff: (1) to establish the vesting schedule at three years, in which case the employee is not fully vested until after the third year of their employment; and (2) to choose the Oppenheimer "Plan for the Most Select" which an initial set-up fee of \$500 and an \$1,500 annual administrative fee.** [Unanimously approved].

C. Morrison described progress to-date in securing a Line of Credit with Wells Fargo Bank. The LOC is necessary for the first four to five weeks of the new year given that there will be a lag time before we receive the first installment of assessment revenue funds from the city. Wells Fargo is asking for a board resolution to authorize borrowing, in accordance with the bylaws. Though Morrison had discussed with Wells Fargo the possibility of securing a \$100,000 LOC, in evaluating the financial statement, it was noted that monthly expenses exceed \$250,000. Therefore, she was instructed to try to secure a \$250,000 LOC so as not to compromise BID operations or delay payments to vendors in the first month of the new BID.

It was moved by Aziz Banayan, seconded by Lynda Bybee and **CARRIED to authorize the pursuit of a \$250,000 Line of Credit with Wells Fargo bank to bridge the arrival of the first installment of assessment revenue from the city of Los Angeles in 2009.** [Unanimously approved].

D. Transfer of deposits: The board briefly discussed the advisability of leaving some funds with First Regional Bank, as opposed to transferring all deposits to Wells Fargo. Morrison suggested that from the staff's perspective, the additional complexity of dealing with two financial institutions would be cumbersome.

It was moved by Frank Stephan, seconded by Tej Sundher and **CARRIED to work with Wells Fargo to shift deposits and accounts from First Regional Bank in preparation for the new year.** [Unanimously approved].

V. Committee/Activity Reports

A. Marketing Committee:

1. Los Angeles Business Journal Article: Katie Zandona distributed an article recently released in the LABJ which showcased Kerry Morrison, Executive Director of the HPOA. The article made several references to the BID area and the continued development taking place.
2. Los Angeles Business Journal Bus Tour: Recently Zandona helped organize a bus tour of Hollywood for 14 reporters and editors for the Los Angeles Business Journal. The tour consisted of several stops which featured many of the current developments within the Sunset and Vine and Hollywood Entertainment District BIDs. After the tour the group was joined by CHC Board President Dirk Degraeve and HPOA Board President Chris Bonbright for lunch at the Roosevelt Hotel.
3. Review/Approve Request from Hollywood Chamber to Contribute \$5,000 toward Christmas Lighting: Leron Gubler asked the board to consider donating again to the Chamber's lighting program for the Holiday season. Morrison advised the board that donating at this time in the year, may leave the BID with substantially low funds to finish the year. The board suggested that a commitment be made at the meeting to make the contribution in the New Year once the first installment had been received from the city.

It was moved by _____, seconded by _____ and **CARRIED to authorize an expenditure of \$5,000 to support the Chamber's holiday lighting project, but to pay the invoice in the New Year.** [Unanimously approved.]

B. Security Committee:

1. Meeting with Ivar Avenue Stakeholders: John Tronson informed the board that a meeting was held Thursday, October 9, 2008 at the Taft Building to discuss the various issues that are occurring on Ivar Avenue in regards to businesses, clubs and homeless encampments. The meeting allowed stakeholders to express their concerns. Tronson said that several potential solutions came out of the discussion and that the Council Office and HPOA staff are working together to figure which ones will be feasible.
2. Review/Approve HPOA Policy Statement on Permanent Supportive Housing in Hollywood: Morrison reported that at the board's request she had completed a draft version of the a policy statement regarding the HPOA's position on permanent supportive housing for homeless in Hollywood. Aziz Banayan stated that he felt the board may want to refine the statement before an approval is made. Bonbright informed the board that the policy was meant to be general and in order to give the board time to further review the document a motion would be tabled until the board's meeting next month.
3. Contribute \$20,000 from Security Contingency budget toward supporting PATH HERO homeless outreach program: Morrison informed the board that since the HERO program had recently received a large grant from the CRA, a decision on this item could be postponed until 2009.
4. Illegal Vending Issues at Hollywood and Highland: A question was raised as to if anything had been done regarding the illegal vending situation on Hollywood Boulevard between Orange and Highland. Morrison reported that a committee had been formed by the Council Office to begin drafting a possible ordinance for the sidewalk and had been arranging task forces with LAPD, Bureau of Street Services and the Health Department to try and improve the situation. The next task force would be taking place October 25, 2008.

C. Streetscape Committee:

1. Update on time line and tasks associated with RFP for Maintenance Contract: Sarah MacPherson reported that the RFP had gone out and that six contractors attended a mandatory pre-bid meeting. MacPherson informed the board that there may be a slight shift in frequency of services in the new BID due to the new three zone system. The finalist will be selected October 29, 2008 and invited for an interview on November 12, 2008.

2. Alley Issues/Update on Stakeholder Requests for Assistance: MacPherson informed the board that she had met with Helen Leung, Kerry Morrison, the street services inspector, neighborhood prosecutor and some of the property owners from the buildings in front of the alley on Highland Avenue just south of Yucca Street. Over the past month the alley has hosted several unapproved dumpsters causing an increase of trash along the backside of the properties. MacPherson said city enforcement is underway and steps are being taken to try and relocate the dumpsters to another area.

D. Nominating Committee:

1. Update on Election of Directors and Officers Scheduled for November Meeting: John Tronson informed the board that the office had only received one application for an officer position. That being the case, Tronson said the Nominating Committee would recruit a slate to present for the Board's consideration in November.

2. Recommendation to fill seat vacated by passing of William Hertz: Following the passing of Mr. William Hertz, Tronson mentioned that the Nominating Committee has recommended that Thaddeus Smith (whose term ends 11/2008) fill the remainder of the term. In order for this to happen Tronson informed the board that Smith would be resigning at the end of the meeting and with a board's motion would begin filling Mr. Hertz's term (ends 11/2009) at the next meeting.

It was moved by John Tronson, seconded by Thaddeus Smith and **CARRIED to approve the appointment of Thaddeus Smith to fill the remaining term of Mr. Bill Hertz's seat which expires November, 2009.** [Unanimously approved].

VI. Guest- Council President Eric Garcetti

Council President Eric Garcetti thanked the board for their time and informed them on various issues occurring at City Hall. The Council President mentioned that the City is continuing to work hard in their efforts to balance the budget. Council President Garcetti also added that he does have office hours during the week and that board members interested in discussing topics with him should stop by his office at the corner of Hollywood Boulevard and Western Avenue.

VII. New Business

A. Report on Private Sector Effort to Fund Metro Redline Hour Extension Test Program: Lynda Bybee informed the board that private sector funds were successfully raised to help launch the pilot program which will begin in late November 2008 and go through the end of the year. Now that the funds have been raised, Bybee mentioned that the program will need businesses and the BIDs to help Metro promote the program to riders.

B. City Ethics Commission proposed regulations: Morrison reported that the City Ethics Commission is working on new definitions to govern lobbyists, which will require formal registrations, reporting and financial disclosures. The BID Consortium has been following this issue closely, and has asked its members to communicate with the Ethics Commission to remove staff working for nonprofit organizations that manage BIDs from this category. Currently, in the draft proposal, BID staff would fall under the lobbyist definition.

It was moved by John Tronson, seconded by Frank Stephan and **CARRIED to authorize Kerry**

Morrison to send a letter on behalf of the HPOA requesting an exemption for staff managing BIDs from the City Ethics Commission new lobbying rules. [Unanimously approved.]

C. Report on Litigation filed by Yucca Property Owner in new BID against City of Los Angeles: Morrison informed the board that recently a lawsuit had been filed against the City of Los Angeles by a multi-unit residential property owner who wished to have his parcel removed from the new BID. L.A. City Attorney's are representing the City on the case.

VIII. Report from Executive Director

A. Second Annual United Way Homewalk: Morrison reported that the HPOA staff is planning on participating in the second annual Homewalk to end homelessness on Saturday, November 15, 2008. The team is hoping to raise \$15,000 in donations to help end homelessness. Morrison encouraged all those interested in participating to sign up and join to help in the effort.

B. Preparations for Launch of New BID January 1, 2009: The staff had recently received the City's contract for the new BID and is in the process of reviewing it. Morrison informed the board that the contract would be brought to the November Board Meeting for their review and approval.

C. Request for removal of Hudson single family residence included in BID: Joe Mariani reported on a situation brought to the attention of staff by a property owner on Hudson Avenue. The owner of the property at 1743 North Hudson Avenue was surprised, upon receiving her property tax bill, to find a BID assessment included. Upon further research, staff determined that several parcels on Hudson, between Hollywood Boulevard and Yucca, that had heretofore never been assessed, were included in the new BID. These are properties that resemble single family homes and/or duplexes. In consulting Willdan and the city clerk's office, it was determined that there was a conflict between the current land use and the city's zoning information. These properties were likely included by Willdan because the city shows the properties zoned as QR5-2, but despite the zoning designation, these properties are not multi-family dwellings, and given their historical character, would not likely be developed into higher density multi-family.

The staff's recommendation to the board was to remove from the new BID's assessment roll any property from Hudson Avenue that had historically not been assessed by the Hollywood Entertainment District with four units or less, to maintain consistency with past actions and to reflect the current land use of those parcels.

It was moved by John Tronson, seconded by Thaddeus Smith and **CARRIED to remove from the new BID assessment roll, those single-family and less than four unit parcels on Hudson Avenue that had previously never been assessed by the BID.** [Unanimously approved].

IX. Next Meeting

The next meeting is scheduled for Thursday, November 20, 2008 beginning at 4:00 P.M. in Suite 200 of the Taft Building (1680 Vine St., Hollywood, CA. 90028).

X. Adjournment

There being no further business the meeting was adjourned by Board President Chris Bonbright at 6:07 P.M.